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Selected Speeches and News Releases

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U.S. Department of Agriculture • Office of Information

USDA ANNOUNCES PREVAILING WORLD MARKET PRICE FOR UPLAND COTTON

WASHINGTON, Oct. 27—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market price, adjusted to U.S. quality and location (adjusted world price), for Strict Low Middling (SLM) 1-1/16 inch (micronaire 3.5-4.9) upland cotton (base quality) and the coarse count adjustment in effect from 12:01 a.m. Friday, Oct. 28, through 12:00 midnight Thursday, Nov. 3.

Since the AWP is less than the 1987-crop and 1988-crop base quality loan rates of 52.25 and 51.80 cents per pound, respectively, the loan repayment rate for 1987-crop and 1988-crop upland cotton during this period is equal to the AWP adjusted for the specific quality and location.

Since the AWP is above the 1986-crop base quality loan repayment rate of 44 cents per pound, no first handler certificates will be issued during this period.

Because the loan repayment rate for 1988-crop upland cotton in effect during this period is less than the established loan rate, loan deficiency payments will be paid to eligible producers who agree to forgo loan eligibility on their 1988-crop upland cotton. The payment rate for cotton sold during this period will equal the difference between the loan rate and the loan repayment rate.

The AWP will continue to be used to determine the value of upland cotton that is obtained in exchange for commodity certificates.

Based on data for the week ending Oct. 27, the AWP for upland cotton and the coarse count adjustment are determined as follows:

Adjusted World Price

Northern Europe Price 58.48

Adjustments:

Average U.S. spot market location 10.99

SLM 1-1/16 inch cotton 2.00

Average U.S. location42

Sum of Adjustments -13.41

ADJUSTED WORLD PRICE 45.07 cents/lb.

Coarse Count Adjustment

Northern Europe Price 58.48

Northern Europe Coarse Count Price -54.13

4.35

Adjustment to SLM 1-inch cotton -4.15

COARSE COUNT ADJUSTMENT 0.20 cents/lb.

The next AWP and coarse count adjustment announcement will be made Nov 3.

Charles Cunningham (202) 447-7954

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EXTENSION ADMINISTRATOR WINS NATIONAL AWARD

WASHINGTON, Oct. 31—Dr. Myron D. Johnsrud, administrator of U.S. Department of Agriculture's Extension Service, will receive the Ruby Award, the highest honor given by Epsilon Sigma Phi, Extension's national professional society, Nov. 14 in Dallas.

In his remarks "Risk-Taking on the Road to Success," Dr. Johnsrud says research has identified some of the most paralyzing barriers to change; the fears of losing control, conflict, rejection and failure. "As leaders and professionals, we must rid ourselves of these fears, be confident and build confidence in others."

"In Extension we have established nine national initiatives teams working hard toward innovation in some of the thorniest issue areas on the public agenda today...Embedded in these broad initiatives are high priority problems of urgency at the center of the national agenda," says Dr. Johnsrud.

"As Extension we must be at the heart and head of the struggle to

assist people to cope with the effects of agricultural chemicals on the environment, develop a safe food supply, search for means to add value to traditional agricultural and forestry products, find new ways to catalyze socio-economic development in rural communities, build and sustain a profitable child and youth development program worthy of an organization with an unparalleled national network and 75 years of successes and failures.

I for one think there has never been a more exciting time to be an Extension professional...we are investing in America's future in ways never dreamed of before."

A North Dakota farmer and former county Extension agent, Dr. Johnsrud was appointed Administrator of Extension Service July 14, 1986.

From 1974 to 1986 Dr. Johnsrud was Director of the Cooperative Extension Service at North Dakota State University. He also served as a member of the Extension Committee on Organization and Policy and chaired its Legislative Committee.

Betty Fleming (202) 382-0348

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USDA ANNOUNCES 1989 UPLAND COTTON PROGRAM PROVISIONS

WASHINGTON, Oct. 31—Secretary of Agriculture Richard E. Lyng today announced a 25 percent acreage reduction and other provisions of the 1989 upland cotton program.

Lyng said that:

—The established target price will be 73.4 cents per pound.

—The loan level will be 50.0 cents per pound for the base quality of upland cotton (Strict Low Middling (SLM) 1-1/16 inch, micronaire 3.5 through 4.9, at average U.S. location).

—Plan B of the marketing loan program will be implemented. Under Plan B, 1989 crop cotton pledged as collateral for a price support loan may be repaid at the lower of the adjusted world price (AWP) or the loan level.

The AWP is determined for the base quality. It will be adjusted on the basis of quality and location using the 1989 crop price support program schedules of premiums and discounts for grade and staple, discounts for

micronaire, location differentials, and any coarse count adjustment in effect for the week in which the loan repayment occurs. The AWP for any quality will not be established at less than 5 cents per pound.

When loan collateral is redeemed with cash and the AWP is below the loan rate (50.0 cents per pound) for the base quality, the Commodity Credit Corporation will not require payment of any interest and will pay all of the warehouse charges. When the AWP is above the base loan rate, CCC will not require the payment of that portion of the accrued interest and will pay that portion of the accrued warehouse charges that are determined to be necessary to permit the loan collateral to be redeemed with cash at the AWP.

Lyng also said that:

- A paid land diversion program will not be implemented.

- Loan deficiency cash payments will be made to eligible producers who agree to forego loan eligibility if the loan repayment rate is less than the announced loan level. The payment rate will equal the difference between the loan level and the loan repayment rate. Producers may elect to forego loan eligibility and receive loan deficiency payments on a bale-by-bale basis.

- A recourse loan program for upland seed cotton will be available.

- An inventory reduction program will not be implemented.

Lyng said he reserves the right to initiate cost reduction options as provided in Section 1009 of the Food Security Act of 1985.

Common program provisions which apply to the 1989 wheat, feed grains, upland cotton, extra long staple cotton and rice programs were announced June 14.

Robert Feist (202) 447-6789

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USDA EQUAL OPPORTUNITY ADVISORY COMMITTEE TO MEET IN CALIFORNIA

WASHINGTON, Oct. 28—Secretary of Agriculture Richard E. Lyng today announced that the U.S. Department of Agriculture's Citizens' Advisory Committee on Equal Opportunity will meet Nov. 16-18 at the University of California at Davis.

Issues to be discussed include accessibility and accommodation for handicapped persons in USDA facilities and programs, outreach for

minorities and women interested in careers in agriculture and related fields, and programs for small-scale agriculture.

The advisory committee is composed of 21 citizens who advise the secretary of agriculture on civil rights issues. The committee met twice earlier in 1988—in Alaska and in Washington, D.C.—to study and make recommendations about USDA programs affecting Native Alaskans and about equal opportunity issues in various USDA agencies.

The committee, whose membership changes every two years, was created in 1965. Ms. Julie Heard, an Ohio banking executive, is the current chairperson.

William Payne (202) 447-5681

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CCC LOAN INTEREST RATE FOR NOVEMBER 8-1/8 PERCENT

WASHINGTON, Nov. 1—Commodity loans disbursed in November by the U.S. Department of Agriculture's Commodity Credit Corporation will carry a 8-1/8 percent interest rate, according to Milton Hertz, CCC executive vice president.

The 8-1/8 percent rate is the same as in effect for October and reflects the interest rate charged CCC by the U.S. Treasury in November.

Robert Feist (202) 447-6789

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USDA ANNOUNCES PREVAILING WORLD MARKET RICE PRICES

WASHINGTON, Nov. 1—Acting Under Secretary of Agriculture Richard W. Goldberg today announced the prevailing world market prices of milled rice, loan rate basis, as follows:

- long grain whole kernels, 10.03 cents per pound;
- medium grain whole kernels, 9.23 cents per pound;
- short grain whole kernels, 9.16 cents per pound;
- broken kernels, 5.01 cents per pound.

Minimum loan repayment rates for 1987-crop loans are the higher of the world rice or 50 percent of the loan rate. For 1988-crop rice, the

minimum repayment rates are the higher of the world price or 60 percent of the loan rate.

Based upon these prevailing world market prices for milled rice, and revised 1988-crop milling outturns, rough rice world prices are estimated to be:

- long grain, \$6.18 per hundredweight;
- medium grain, \$5.78 per hundredweight;
- short grain, \$5.53 per hundredweight.

The prices announced are effective today at 3:00 P.M. EST. The next scheduled price announcement will be made Nov. 8, 1988 at 3:00 P.M. EST, although prices may be announced sooner if warranted.

Gene Rosera (202) 447-5954

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USDA EXTENDS COMMENT PERIOD ON HORSE PROTECTION REGULATIONS

WASHINGTON, Nov. 2—The U.S. Department of Agriculture is extending the comment period for three interim rules affecting the use of pads, action devices, weights, boots and packing materials restricted under the Horse Protection Act, according to Larry B. Slagle, acting administrator of USDA's Animal and Plant Health Inspection Service.

The Horse Protection Act prohibits "soring." Soring is the use of cruel methods, devices or chemical substances used on a horse's legs or feet primarily to alter a horse's gait for the show ring.

Announcement of the comment extension (Docket 88-179, effective Oct. 31) will be published in the Nov. 4 Federal Register. The comment deadline of Oct. 31 was extended until Nov. 22 for the following:

—Docket 88-052, published on April 26, expands the list of prohibited devices and equipment used on horses. It prohibits the use of weights other than horseshoes. It also clarifies the scar rule.

—Docket 88-079, published May 2, removes certain restrictions on weights, horseshoes, and boots imposed by the April 26 rule. It also reinstates certain restrictions on the placement of lead and other weights on horses.

—Docket 88-125, published July 28, revises the list of devices and equipment prohibited for use on horses. It prohibits pads that exceed 50 percent of the horse's natural foot length or violate other requirements. It

prohibits packing materials used between pad and hoof (with some exceptions) and expands the restriction on the use of weights. It allows the use of plastic pliant pads.

A related interim rule, Docket 88-160, published Oct. 24, affirms a prohibition against building up a yearling's heel in excess of one inch. The deadline for comment on this rule remains Nov. 23, as originally announced.

Comments (an original and two copies) should refer to the dockets involved and should be sent to: Regulatory Analysis and Development, APHIS, USDA, Room 728, Federal Building, Hyattsville, MD 20782.

Max Heppner (301) 436-7799

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LYNG TERMS JAPANESE BEEF MARKET REFORMS A STEP IN RIGHT DIRECTION

WASHINGTON, Nov. 2—Secretary of Agriculture Richard E. Lyng today said reforms in the Japanese beef marketing system called for in the U.S.-Japan beef-citrus agreement are a positive step toward improving sales of U.S. beef in Japan.

“As a result of the agreement, the value of U.S. beef exports to Japan in August was up nearly 124 percent over August 1987, while volume was up 76 percent,” Lyng said. August is the first full month of trade data available since the agreement went into effect.

The value of August 1988 U.S. beef exports to Japan was \$86.78 million, while volume was 15,136 metric tons.

“The agreement with Japan to phase out its restrictive beef import quotas is helping, and we think it will be followed by still more improvement,” Lyng said.

Under the June 20 agreement, Japan will phase out its import quotas on beef products and fresh oranges over a three-year period, and quotas on orange juice over four years. The U.S. share of the Japanese beef market is about 39 percent, while the U.S. shares of the Japanese fresh orange and orange juice concentrate markets are 99 percent and 18 percent, respectively.

Sally Klusaritz (202) 447-3448

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USDA PROPOSES IMPROVED MEAT AND POULTRY PROCESSING INSPECTION SYSTEM

WASHINGTON, Nov. 3—The U.S. Department of Agriculture is proposing changes in its meat and poultry inspection program to implement a recent law which authorizes USDA to adjust the intensity of inspection among processing plants. USDA would use records of plant compliance with federal food safety and processing regulations to determine inspection frequency.

“Under the proposal, USDA would increase inspection at processing plants where records indicate a need for additional oversight. By the same token, plants with good records of compliance could be visited less than daily,” said Lester M. Crawford, administrator of USDA’s Food Safety and Inspection Service.

The proposed rule would not apply to slaughter operations, which will remain under continuous inspection.

Congress amended the federal Meat Inspection Act in 1986, requiring USDA to alter its current daily inspection of processing plants. The legislation allows the frequency of inspections to be based on the risks posed by each plant’s compliance record, the complexity of the processes it performs, and its ability to control hazards. The National Academy of Sciences has also recommended making such changes, Crawford said.

“The proposed changes would strengthen USDA’s inspection in the 6,300 plants that process meat and poultry by focusing inspection efforts where they are needed most,” said Crawford. “The proposal is based on years of careful planning and three pilot tests in different parts of the country in various kinds of meat and poultry plants.”

The proposed program would utilize a new computerized system that accumulates information from inspection visits. The system would document each plant’s record in meeting USDA requirements, keeping track of acceptable and deficient performance. Aided by these records, USDA would decide the frequency of inspection needed at a given plant.

“Industry will have to assume greater responsibility in conforming to USDA standards, because critical deficiencies found during inspection would mean production delays and product condemnation,” Crawford said. “With the proposed changes, USDA inspection of meat and poultry would remain the most intense system of inspection for any food produced.”

The proposal would not change any standards for the processed

products made in the USDA-inspected plants. The same standards currently required for safety, wholesomeness and labeling accuracy would remain in force.

Processing ranges from simple operations that take USDA-inspected and approved meat or poultry and simply cut, bone or grind it, to complex operations that cook, cure, can or freeze meat or poultry to make hot dogs, beef stews, cold-cuts, heat-and-serve whole chickens or packaged dinner entrees.

“The impetus for changes in the inspection system is the ever-increasing sophistication of the food industry with its high-technology manufacturing practices that assure product safety and uniformity,” said Crawford. “As technology improves, so, too, must inspection.”

Crawford said the USDA proposal also contains changes in terminology and regulations needed to carry out the improved processing inspection system.

The public is encouraged to comment on the proposal, scheduled to appear Nov. 4 in the Federal Register. Written comments may be submitted until Feb. 2 to the Policy Office, Attn: Linda Carey, FSIS Hearing Clerk, USDA, Washington, D.C. 20250. Comments should be submitted in duplicate.

Hedy Ohringer (202) 447-9113

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USDA PROTECTS 18 NEW PLANT VARIETIES

WASHINGTON, Nov. 3—The U.S. Department of Agriculture has issued certificates of protection to developers of 18 new varieties of seed-reproduced plants, including alfalfa, corn, cotton, tall fescue, lettuce, pea, pepper, soybean, and wheat.

Kenneth H. Evans, an official with USDA's Agricultural Marketing Service said developers of the new varieties will have the exclusive right to reproduce, sell, import, and export their products in the United States for 18 years. Certificates of protection are granted after a review of the breeders' records and claims that each new variety is novel, uniform, and stable.

The following varieties have been issued certificates of protection:
—the Vortex variety of alfalfa, developed by Plant Genetics Inc., Davis, Calif.;

- the MBPM and IB02 varieties of corn, developed by DeKalb-Pfizer Genetics, DeKalb, Ill.;
- the LH65 variety of corn, developed by Holden's Foundation Seeds Inc., Williamsburg, Iowa;
- the Acala Prema variety of cotton, developed by the California Planting Cotton Seed Distributors, Bakersfield, Calif.;
- the Stoneville 453 variety of cotton, developed by the Stoneville Pedigreed Seed Company Inc., Stoneville, Miss.;
- the Tip variety of tall fescue, developed by NPI Seed Inc., Salem, Ore.;
- the Scarlett Butter variety of lettuce, developed by Genecorp Inc., Salinas, Calif.;
- the Blazer and King City varieties of lettuce, developed by Genecorp Technology, Salinas, Calif.;
- the Teda variety of lettuce, developed by Royal Sluis, Koninklijke Zaaizaadbedrijven Gebr. Sluis, B.V., The Netherlands;
- the Bellagreen variety of lettuce, developed by the Ferry-Morse Seed Co., Modesto, Calif.;
- the Solara variety of pea, developed by Cebeco-Handelsraad, The Netherlands;
- the Prima Belle variety of pepper, developed by Sunseeds Genetics Inc., Hollister, Calif.;
- the DSR-128 and DSR-155 varieties of soybean, developed by the Dairyland Seed Co. Inc., West Bend, Wisc.;
- the Becker variety of wheat, developed by Ohio State University, the Ohio Agricultural Research and Development Center, Wooster, Ohio;
- the GR 855 variety of wheat, developed by the Ohio State University Research Foundation, Wooster, Ohio.

Certificates of protection for the Acala Prema cotton, the Solara pea, and the Becker and GR 855 wheat varieties are being issued to be sold by variety name only as a class of certified seed, and to conform to the number of generations specified by the owner.

The plant variety protection program is administered by AMS and provides marketing protection to developers of new and distinctive seed-reproduced plants ranging from farm crops to flowers.

Carolyn Coutts (202) 447-8998

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USDA PROPOSES AMENDMENT TO EXPORT TOBACCO SEED ACT REGULATIONS

WASHINGTON, Nov. 3—The U.S. Department of Agriculture is proposing an amendment to the Tobacco Seed and Plant Exportation Act that would reduce the maximum quantity of tobacco seeds that may be exported from the United States.

J. Patrick Boyle, administrator of USDA's Agricultural Marketing Service, said the changes would reduce the maximum exportable quantity from 14 grams (one-half ounce) to one-half gram for each seed variety regulated under the act. Boyle said the Tobacco Seed and Plant Exportation Act does not regulate the species, *Nicotiana rustica*.

This reduction should pose no impediment to bona fide experimentation—the only legitimate purpose for exporting seed—because one-half gram contains at least 5000 seeds, more than enough for experiments, Boyle said. The secretary of agriculture, who must issue permits for any export of tobacco seed, has not issued a permit for more than the amount of one-half gram in recent years, he said.

Notice of the proposed change will be published in the Nov. 4 Federal Register. Comments and exceptions must be received by Dec. 5 and should be sent to the Director, Tobacco Division, AMS, USDA, Rm. 502 Annex Building, P.O. Box 96456, Washington, D.C. 20090-6456.

Clarence Steinberg (202) 447-6179

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SWINE BRUCELLOSIS—COUNTDOWN TO FINAL ERADICATION

WASHINGTON—"Thirty years ago, when I was a young practitioner, brucellosis posed a personal danger to every veterinarian who worked with swine and cattle," says Dr. Mitch Essey, who now works for the U.S. Department of Agriculture.

"I know this from personal experience," says Essey. "One day I was working with a cow that had difficulty calving. Suddenly the cow strained, and fluid from her uterus sprayed into both my eyes. The herd was infected with brucellosis, and I knew I was likely to get very sick."

What Essey feared was undulant fever, the common name for brucellosis in humans. His fear was justified. He was seriously ill for two

years and still suffers an occasional relapse.

Brucellosis is an infectious bacterial disease. In cattle and swine, infected females abort or give birth to weak offspring. State and federal governments cooperate on eradicating brucellosis in both kinds of livestock.

The plan to finish the cattle brucellosis eradication program has received considerable attention. Similar progress also is being made in the swine program but with less fanfare, according to Essey, who currently coordinates that eradication effort as staff veterinarian for USDA's Animal and Plant Health Inspection Service.

In 1962, when the state-federal swine brucellosis eradication program had its official start, almost 6 percent of the swine lots tested were positive. The program focused on eliminating brucellosis from swine herds selling breeding stock, which dramatically reduced the spread of brucellosis.

Today, the infection rate is down to about .03 percent. Most veterinarians practicing today have never encountered the disease. Known cases are confined to a few pockets of infection, located mostly in the southeast. In fact, 17 states plus Puerto Rico and the U.S. Virgin Islands haven't reported a single case in the last 10 years.

"The two hardest steps in an eradication program are the first and the last," Essey says. "The first step, organizing the program, is boosted by enthusiasm. The last step, ferreting out undetected infection, is impeded by complacency. At this point, we must look harder for the disease in states that have not yet been declared free of infection."

At the 1986 meeting of the U.S. Animal Health Association, officials decided to put special effort into completing the last step. They agreed on a five-year plan, with a deadline of Sept. 30, 1991, for gathering positive evidence that no remnants of the causative bacteria lie smouldering in the top category, Stage III, contains 32 states plus Puerto Rico and the U.S. Virgin Islands, which already are validated brucellosis-free. In Stage II are six states actively engaged in a testing program leading to validation. Stage I includes nine states that have not yet started systematic testing. Only three states remain uncategorized because they have not yet entered the program.

"Help from an unexpected source has boosted the program in several states," Essey says. "These states started to eradicate another swine disease, pseudorabies, and they found that brucellosis and pseudorabies

tests could be conducted on the same blood sample with little extra effort.”

For example, Tennessee producers started testing their breeding swine last year. Within 18 months, they had tested more than 46,000 sows in over 7,000 herds, without finding evidence of brucellosis infection.

“I was not surprised at the results,” Essey says. “Tennessee had not reported a single case of swine brucellosis in almost 20 years. Yet, before we could accord Tennessee its validated brucellosis-free status, we required evidence that infection is not present. Unless we look, we can’t be sure.

“I believe that the United States will be able to declare itself free of swine brucellosis well before the end of the century,” Essey says. “I will celebrate that day with a real sense of victory over the peril I experienced in my early days of veterinary practice.”

Max Heppner (301) 436-7799

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